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BY 2ND DAY DELIVERY AND E-FILE

Caroline O'Brien Bulger
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: Bay State Gas Company, D.T.E. 05-27

Dear Ms. Bulger:

At the procedural conference held on June 2, 2005, at the request of the Attorney General, you asked Bay State Gas Company to summarize by the end of this date which materials from the Attorney General's Second Set of Information Requests Bay State would be able to provide to the Attorney General. Note again that this intervention by the Department is unnecessary. The Company offered to sit down with the Attorney General to provide just this dialogue on discovery: the Attorney General declined.

Nonetheless, the Attorney General has made the following requests pertaining to the steel infrastructure replacement program to which the Company has yet to respond, given the 760 information requests issued thus far by the Department and the Attorney General. Please note also that as of today, Bay State has responded to over 230 information requests regarding multiple issues in the case.

The Attorney General requests:

- Various information, including soil corrosivity and corrosion leaks, to be plotted on system maps
- Copies of all reports, memorandums and analysis related to corrosion monitoring programs performed before or during the installation of the mains and services that are now the subject of the Company's proposed replacement program.
- Copies of all reports, memorandums and analysis related to any external causes of corrosion of the mains and services (including, but not limited

to, proximity to other pipes, materials or sources of electricity) that are the subject of the Company's proposed replacement program.

- Copies of all reports, memorandums and analysis related to any internal causes of corrosion of the mains and services (including, but not limited to, moisture in the pipe) that are the subject of the Company's proposed replacement program.
- The "level of pipe moisture and city gate locations" labeled on each system map.

For a number of reasons, it is my understanding that Bay State cannot provide make and copies of its system maps to the Attorney General, nor can it doctor its original maps that do not contain the requested information for the Attorney General's use. First, these maps are far more extensive than envisioned by the Attorney General and except for limited, special use circumstances are not reproduced electronically (and as such are not compatible with business use software). Bay State has not electronically catalogued its maps; if it had, the expense would surely have been added to its rate base or amortizations in this proceeding. Comprising the "system maps" requested for Springfield and its territory alone, the flat plans drawers number 140; there are 150 territory mylars (sized 5' x 6'); there are 2,200 roll-up maps that are 15" x 30 yards each. To make up the "system maps" requested for Brockton and its environs, there are over 9,200 maps sized 2' x 3', and 120 file drawers of flat plans. Because of the time constraints in this analysis, I do not have the information from Lawrence, but have no reason to believe it differs. **Bay State does mark leaks on its maps. To the extent a leak occurs on a steel pipe, it is assumed, based on Bay State's operational experience, that the cause is corrosion.** The Attorney General is at liberty, and Bay State will assist him in anyway possible, to view these materials in the Company's operations centers. There is no "data" room, as suggested by the Attorney General on the record yesterday. Bay State will provide access to the original source documents used by the Company to manage its distribution system. Finally, the size of the documents is only one problem. These system maps constitute vital infrastructure information to Bay State's on-going business. The system maps are proprietary. They cannot be removed for even the shortest period of time without jeopardizing system safety. Again, Bay State will work diligently with the Attorney General to ensure the AG has adequate opportunity to review these maps in a timely and coordinated fashion at the Company's various operation centers.

With regard to the "reports, memorandums and analysis" that the Attorney General seems to think have been created by Bay State or others on Bay State's behalf, Bay State will state that its analysis of soil corrosivity or soil resistivity, corrosion or

corrosivity in general, is not contained in one place because, in fact, corrosion happens on steel and Bay State has steel in the ground. A broad "system" analysis envisioned by the Attorney General would not result in anything actionable by the Company. The manner in which Bay State analyses corrosion is on a segment by segment basis. The leaks are plotted on system maps and analyzed. The segment by segment analyses are derived from work order "dossiers," or project dossiers, which contain all material information related to any given segment of the system in any given service territory of the system. In Springfield, they call them "mains write-ups," and they number between 20,000 and 30,000. It is my understanding that all information regarding repairs to the mains are similarly maintained and are equal in number. In Brockton they call these "work orders" or "work order write-ups." They contain information regarding the condition of the main, the repairs on the main, testing on the main, cathodic protection on the main, testing of the current and any other conditions material to the condition of the segment. There are 19 4-drawer file drawers with main write-ups in the Brockton operations center. Not only are the materials voluminous, they are integral to the on-going safety and integrity of Bay State's operations. **At the current time, in response to the Attorney General's request, we plan to provide a few sample "dossiers" from each service territory in response to the requests and then work with the Attorney General to view as many or as few from whatever territory he seeks to view them.**

Please do not hesitate to telephone me with any questions whatsoever.

Very truly yours,

Patricia M. French

cc: A. John Sullivan, DTE (7 copies)
Andreas Thanos, Ass't Director, Gas Division
Alexander Cochis, Assistant Attorney General (4 copies)
Service List (electronic copy only)